

SOUTH VILLAGE  
COMMUNITY DEVELOPMENT DISTRICT

The regular meeting of the Board of Supervisors of the South Village Community Development District was held Tuesday, August 1, 2017 at 6:30 p.m. at the Eagle Landing Residents Club, 3975 Eagle Landing Parkway, Orange Park, Florida

Present and constituting a quorum were:

Gary Cross	Chairman
Kelly Hermening	Supervisor
Chris Payton	Supervisor
Bobby J. Poole	Supervisor

Also present were:

Jim Oliver	District Manager
Katie Buchanan	District Counsel
Matt Biagetti	Director of Aquatics & Recreation
Steve Andersen	Operations Manager
Rob Dugan	Arnold Palmer Golf
Josh Heintzman	Arnold Palmer Golf
Corey Hamlin	Arnold Palmer Golf

The following is a summary of the actions taken at the August 1, 2017 meeting. A copy of the proceedings can be obtained by contacting the District Manager.

**FIRST ORDER OF BUSINESS**

**Roll Call**

Mr. Oliver called the meeting to order at 6:00 p.m. and called the roll.

**SECOND ORDER OF BUSINESS**

**Audience Comments**

There being none, the next item followed.

**THIRD ORDER OF BUSINESS**

**Approval of the Minutes of the July 11, 2017 Meeting**

On MOTION by Mr. Cross seconded by Mr. Poole with all in favor the minutes of the July 11, 2017 meeting were approved as presented.
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**FOURTH ORDER OF BUSINESS**

**Consideration of Agreement for Purchase of Fitness Equipment**

Mr. Oliver stated at your last meeting you approved the purchase of fitness equipment in an amount not to exceed \$110,000 and delegated Supervisor Payton to work with staff to coordinate the details of the purchase. Chris will give you an update.

Mr. Payton gave an overview of the new equipment and flooring that he and Matt were able to negotiate with the SoFitCo vendor and the pricing came in slightly higher than the not to exceed amount previously authorized.

On MOTION by Mr. Cross seconded by Mr. Hermening with all in favor the agreement for the purchase of fitness equipment from SoFitCo in the amount of \$110,229.99 to be funded from the Series 2016 A1/2 proceeds was approved.

**FIFTH ORDER OF BUSINESS**

**Consideration of Proposals for Tennis Courts Construction**

Mr. Payton reviewed the proposal received from Premiere Tennis that included the construction of four courts, 2 hydro clay courts, 2 asphalt courts, gazebo, lighting, fences and drains.

Mr. Payton stated the second low bidder didn't respond to a request to complete their bid, the third is for a considerable amount higher of \$448,000. I propose we move forward with \$356,855 to finish the tennis facility, which is part of our agreement for the golf course purchase.

LED lighting was discussed and Mr. Andersen was directed to get a cost to convert the whole facility to LED lights.

Mr. Andersen stated we may be able to go to a different contractor for the site work and save money that may open an opportunity to eventually go to LED lights. I believe we can get the site work number down by using Vallencourt.

Ms. Buchanan stated I think you can approve it and request Steve to work with the contractor to reduce it or you can only approve it if that condition is met and I don't think that is what you want to do.

On MOTION by Mr. Cross seconded by Mr. Payton with all in favor the proposal for construction of four tennis courts (2 Har-Tru and 2 asphalt) from Premiere Tennis was approved in the amount of their low bid of \$356,855, contract to include the cushion court and exclude LED lights and Mr. Andersen was authorized to seek proposals for the site work in an amount not to exceed \$29,000.

**SIXTH ORDER OF BUSINESS**

**Update Regarding Requests for Quotes for District Facilities Point of Sales and Access Control Systems and Options**

Mr. Hermening gave an overview of the four proposals received in response to the RFP for POS Systems from Club Prophet, EZ Links, Jonas and TAI. The proposals and the summary of the evaluations along with the pros and cons were discussed and Mr. Hermening and staff will continue to work on this matter that will be presented at a future meeting for consideration.

**SEVENTH ORDER OF BUSINESS**

**Consideration of Lease Agreement for Golf Course Maintenance Equipment**

Mr. Hamlin presented lease options for golf course maintenance equipment and he will work with district counsel to update options to be presented at a future meeting for consideration.

**EIGHTH ORDER OF BUSINESS**

**Discussion of Fiscal Year 2018 Budget (Budget Workshop on 8/15/17 and Public Hearing on 9/5/17)**

Mr. Oliver stated we discussed the proposed budget at the July 11<sup>th</sup> meeting, the Board gave staff guidance on revisions to the budget. We will be presenting those revisions in more detail at your budget workshop on August 15<sup>th</sup>. You will also have a budget hearing on September 5<sup>th</sup> in conjunction with your regular meeting.

Mr. Poole stated we talked about expectations of having \$150,000 surplus this fiscal year.

Mr. Oliver stated if you look at the adopted golf budget for FY17, we projected a \$176,000 operating loss and estimated from the collection of assessments formerly known as social dues of about \$273,000 would put us in the black by about \$100,000, which we would plan to put into capital reserves for the golf operation. If they do slightly better than that you will have more money to put into capital reserves or back into their budget. If they perform not quite that well, there is a reduction of what is available for golf capital reserves for FY17. Right now the forecasted operating loss is \$183,000 versus \$176,000 so their projection is pretty close to what was budgeted for FY17.

**NINTH ORDER OF BUSINESS**

**Golf Update**

Mr. Dugan reviewed the golf operations, results of the survey and discussions with residents to get feedback on various aspects of the restaurant operation.

**TENTH ORDER OF BUSINESS**

**Update Regarding Capital Projects**

**A. Series 2016 A1/A2 Projects Status**

Mr. Andersen gave an update of the clubhouse furnishings.

**B. Review of Cost to Complete Schedule and Remaining Funds**

Mr. Oliver stated earlier today we talked about some of the other purchases from the A1/A2 Bonds, the tennis courts and fitness equipment and we are continuing to bring down the balance. What is the estimated remaining cost of the golf clubhouse renovations?

Mr. Andersen stated we are still shooting for the same budget amount.

Mr. Oliver asked are there any other major projects left after that?

Mr. Andersen stated tennis and the clubhouse are the two main projects left.

Mr. Oliver stated as of today, the trustee reports we have a fund balance of \$931,000. Earlier this evening the Board approved funding of \$356,000 for tennis courts and \$110,000 for fitness equipment, bringing available funding down to \$465,000. The invoice for the golf course driving range improvements has not yet hit the trustee's statement, and there are other soft costs for engineering, legal and construction administration we can anticipate. After backing out those expected expenditures, we are right at \$350,000. With about \$300,000 of renovations give or take for the clubhouse, that leaves about \$50,000 for some finishing touches to that as well as other small projects you might have. It appears you are bringing it in for a landing where it needs to be. There is not another funding source dedicated to these capital projects.

**C. Series 2016 A3 Project Status (Phase 5)**

Mr. Oliver stated Keith Hadden was going to give a presentation regarding Phase 5 in more detail than we have had including photos or video but he was unable to attend tonight's meeting so we will defer that to the next regular board meeting.

**D. Consideration of Series 2016 Requisitions**

Mr. Oliver stated included in your agenda packets are requisitions for payment from the Series 2016 A1/2 construction fund. With the requisitions are supporting invoices from Leisure Creations, Bing Brothers Construction, and Micamy Design Studio.

On MOTION by Mr. Poole seconded by Mr. Payton with all in favor the series 2016 requisitions 17, 18 and 19 totaling \$18,475.60 were ratified.

**ELEVENTH ORDER OF BUSINESS                      Other Business**

There being none, the next item followed.

**TWELFTH ORDER OF BUSINESS                      Staff Reports**

**A. Attorney**

There being none, the next item followed.

**B. Engineer**

There being none, the next item followed.

**C. Manager**

There being none, the next item followed.

**D. Golf Course General Manager**

There being no additional report, the next item followed.

**E. Director of Aquatics & Recreation**

Mr. Biagetti stated we did hire a maintenance person, he accepted today and we should have another fulltime maintenance person by Thursday or Friday. We are looking to put together our own mobile pressure washing tank to be able to pressure wash the bridges and entrance signs.

**F. Operations Manager**

Mr. Andersen gave an overview of the operations manager's report.

**THIRTEENTH ORDER OF BUSINESS      Supervisor's Requests and Audience Comments**

Mr. Poole stated we don't get a tremendous turnout at our meetings. Is there a way we can publicize to the community the renovations and new things we are doing or plan to do so that people can get enthusiastic about the changes and investments we are making?

Mr. Andersen stated that is something we can put in the newsletter and I will get with Matt and we can do the same thing and put it in the newsletter and on Facebook and that would capture most people.

Mr. Payton stated you could have a CDD update that goes out in every newsletter.

Mr. Andersen stated we can do that.

Mr. Hermening stated Matt and I talked about the sensor on the alarm.

Mr. Biagetti stated we just had a sensor in the HVAC go bad so the fire alarm was going off but they fixed that and another issue we did have was the lift was not working correctly 100% of the time. We have contracted with a future resident of Eagle Landing who works for a different elevator company. Thanks to his help, they have it up and running and we are scheduled for inspection by the state agency tomorrow.

A resident stated the webbing is breaking on the cabana bar chairs we need to fix those.

Mr. Payton stated not just the chairs but also the drink holders along the side need to be looked at and replaced and lighting that is supposed to be on the bottom is not working.

A resident stated I was at the HOA meeting a couple weeks ago and we talked about the new area and I think he said an investment of \$500,000 for a park. Is it possible to have in that park area a dog park area?

Mr. Hermening stated he is talking about the Westgate property.

Mr. Payton stated it is possible but we are so far out from that being done that this board may not be here. The board at the time will have discussions because whatever is going to go there will go through the board. A dog park has been suggested a number of times.

A resident stated I think it is shortsighted to just look at our competitor's in this area like Applebee's or Chili's I think we should look at a little higher standard, not five star but something a little better than the competitive market around here. I think that would differentiate this facility and their food, which would be an opportunity to bring people from outside in.

Mr. Cross asked what would be your example?

A resident stated I have been here since November and I'm very disappointed by the quality of restaurants in this area it is basically chain restaurants. Something just a little better quality, better experience would give this a differentiation from others.

Mr. Cross stated give me an example.

A resident stated anything in Avondale, the Brick, Bluefish, Bonefish something a little more than Chili's and I think that is what he is talking about.

Mr. Biagetti stated from the survey 56% were looking for an average entrée dinner of \$11 to \$15. We can't please everybody but trying to incorporate special nights and things like that and that was one of the biggest things that was talked about is they thought our prices were already too high. What I meant by comparing it to Chili's was mostly the pricing because they already felt we were too high.

A resident asked where does the revenue from tennis go from people who receive and pay for tennis lessons?

Mr. Andersen stated part of it goes to the CDD and part of it goes to the person giving the lesson.

A resident asked what is the percentage?

Mr. Andersen stated 10% goes to the CDD.

Mr. Payton stated my understanding is their salary is low and they are encouraged to be on the court giving lessons and they make the bulk of their money from their lessons.

Mr. Biagetti stated the commission on the lessons is included in the management fee so based on our budget they are projected to be paid through the management fee for a portion of their salary a portion of their lesson income is all included in the management fee.

A resident stated we have no say over the makeup of those numbers.

Mr. Biagetti stated it is providing a tennis service to the community.

A resident stated you can't give lessons without tennis courts. The tennis courts belong to the community, they didn't ten months ago.

Mr. Payton stated the tennis courts have always belonged to the community.

Mr. Andersen stated the resident is the one requesting the lesson. The courts belong to the residents, the resident is getting the lesson, and the pro giving the lesson is giving a portion of whatever he makes back to the community.

Mr. Payton stated the other way tennis pros get paid is they are paid a very high salary and they get almost nothing for the lessons they do. The problem with that is they don't give lessons and there was a situation in a neighboring community where that pro was never around and the people didn't get lessons because why would he be there.

Mr. Cross stated the tennis professional is an amenity to the residents.

Mr. Andersen stated we do the same thing in the gym, we get 10% back for the Zumba lessons.

Mr. Biagetti stated the same thing for swim lessons.

A resident stated a couple months ago I asked a question about the sidewalks on Club Lake on those undeveloped lots. Is there an update?

Mr. Andersen stated I'm getting quotes right now. The HOA is going to put in the one on Club Lake Drive.

A resident asked is anything being done about the broken posts with the ropes by the clubhouse?

Mr. Andersen stated I'm getting a fence company to give me a quote for a wrought iron fence instead of those posts. I just want to make sure we stay within our budget.

A resident asked is any maintenance going to be done on the golf course bathrooms?

Mr. Andersen stated that is something we can do in-house.

**FOURTEENTH ORDER OF BUSINESS      Financial Reports**

**A.    Balance Sheet as of June 30, 2017 and Statement of Revenues and Expenses for the Period Ending June 30, 2017**

The balance sheet and income statement were included as part of the agenda package.

**B.    Assessment Receipt Schedule**

The assessment receipt schedule was included as part of the agenda package.

**C.    Approval of Check Register**

On MOTION by Mr. Cross seconded by Mr. Payton with all in favor the check register was approved.



**FIFTEENTH ORDER OF BUSINESS**

**Next Meeting Scheduled for Tuesday,  
September 5, 2017 at 6:30 p.m. at Eagle  
Landing Residents Club**

Mr. Oliver stated the next meeting is the budget workshop on August 15<sup>th</sup>. There won't be any votes taken since it will be a workshop to review the budget in detail. Our next regular meeting is September 5<sup>th</sup>. Within that meeting, you will have the public hearing to consider the budget.

On MOTION by Mr. Cross seconded by Mr. Poole with all in favor  
the meeting adjourned at 8:35 p.m.



Secretary/Assistant Secretary



Chairman/Vice Chairman